

**EPFO & NPS DATA SHOW INDIA CREATED 5.2 CRORE PAYROLLS IN LAST 4 YEARS: 47% ARE FIRST JOBS: RESERVE 30% OF BANKING CORRESPONDENTS JOBS FOR WOMEN**

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What are the observations from India’s payroll data?

Since Apr-18, Government has been releasing monthly payroll data (EPFO, NPS and ESIC) based on the recommendation given by Ghosh & Ghosh in the study titled, “Towards a Payroll Reporting in India”.

**If we analyse the EPFO payroll data trends for the last four years, net new EPF subscriber addition during FY20 to FY23 was 4.86 crore.** This number however consists of new payroll (first payroll), second payroll (rejoined/resubscribed members) and formalized payrolls. We subsequently estimated the net new payroll (first job/fresh job) adjusted for re-joined/re-subscribed members and formalization (based on ECR data). As per our calculation, the actual net new payroll was 2.27 crore during FY20 to FY23. **The first job is 47% of the total net new payroll.**

The second job (or the exited members who re-joined and re-subscribed) stood at 2.17 crore during the 4 year period ended FY23. Increase in formalisation was at 42 lakh in these years, is also a good news.

If we see the Q1 EPFO payroll data of FY24, the trend is quite encouraging. Already 44 lakh net new EPF subscribers joined, of which first payroll were 19.2 lakh. **If this trend continues for the whole fiscal then in FY24, the net new payroll cross the 160 lakh mark (highest-ever) with first payroll in the range of 70-80 lakh.**

NPS data indicates that 8.24 lakh new subscribers in FY23, of which State Government payrolls of 4.64 lakh, followed by Non-Government of 2.30 lakh and 1.29 in central Government. **In the last 4-years, around 31 lakh new subscribers joined in NPS.**

**So, cumulatively, total payroll generation of EPFO and NPS is more than 5.2 crore during FY20 to FY23.**

Meanwhile, an interesting feature of the current EPFO data is the significant decline in revision of number of members who have rejoined or resubscribed in the first quarter of current fiscal year. This would mean more people might be deciding to stick to their current employment. Additionally, the share of women payroll was around 27%.

To enable the increase of women in labour force, we recommend that Bank Sakhis hired under National Rural Livelihood Mission /NRLM may be considered for appointing as Banking Correspondents, as they are well versed with routine bank operations and possess mandated IIBF certification. **Policy may also be framed to mandatorily recruit at least 30% of the total workforce as women Banking Correspondents, particularly in locations where access and usage of the accounts by women is low.** This will clearly bridge the gender gap. A central pool may be created containing details of all Bank Sakhis. As an enabler, provisions to be made in NRLM/NULM site for uploading Bank Sakhis information which may be accessed by banks and BCs for engaging as CSPs.

EPFO Payroll Data (in Lakh)								NPS Payroll (New Subscribers Contributing)				
Period	Number of new EPF subscribers	Number of new members who joined in or after Sep-2017 and exited	Number of exited members who rejoined and resubscribed	Net New EPF Subscribers	Existing Payroll		First Job	Central Gov.	State Govt.	Non-Gov	Total New Subscribers	
					Formalisation*	Second Job						
A	B	C	D	E = B+D-C or F+G+H	F	G	H=E-D-F					
Sep-17 to Mar-18	84.6	11.6	0.8	73.8	7.7	0.8	65.3	76,185	3,12,405	64,856	4,53,446	
FY19	139.4	37.5	10.6	112.5	12.2	10.6	89.7	1,10,555	5,42,504	97,341	7,50,400	
FY20	110.4	39.0	23.3	94.7	10.5	23.3	60.8	1,18,843	4,96,003	1,42,311	7,57,157	
FY21	85.5	32.2	41.2	94.5	9.3	41.2	44.0	89,307	3,98,008	1,41,519	6,28,834	
FY22	108.7	37.5	67.0	138.2	11.2	67.0	60.0	1,36,959	5,01,738	2,41,090	8,79,787	
FY23	115.0	41.9	85.7	158.9	11.1	85.7	62.0	1,29,790	4,64,801	2,30,144	8,24,735	
FY24 (till June)	28.6	6.7	22.6	44.4	2.6	22.6	19.2	38,031	99,559	42,354	1,79,944	
<b>Total (FY20 to FY23)</b>	<b>419.5</b>	<b>150.5</b>	<b>217.3</b>	<b>486.3</b>	<b>42.1</b>	<b>217.3</b>	<b>226.9</b>	<b>4,74,899</b>	<b>18,60,550</b>	<b>7,55,064</b>	<b>30,90,513</b>	
Total (Sep-17to Jun-23)	672.1	206.4	251.3	717.1	64.6	251.3	401.1	6,99,670	28,15,018	9,59,615	44,74,303	

Source: SBI Research; \* (Establishments remitting first ECR\*20)

Source: SBI Research, MOSPI, PFRDA

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